

Council Meeting Staff Report

January 5, 2021

Agenda No.:	E.
Indexes (Council Goals):	* 2020 Council Goal - N/A
Presenters:	Jack Richardson
Legislative File:	13636-20

Title

Approval of Agreement No. AGR21-933, the San Juan-Chama Project Water Purchase Contract Between the Incorporated County of Los Alamos and the Rio de Chama Acequia Association, Inc. for Purchase of the 2021 Allocation of San Juan-Chama Project Water

Recommended Action

I move that Council approve Agreement No. AGR21-933, the San Juan-Chama Project Water Purchase Contract Between the Incorporated County of Los Alamos and the Rio de Chama Acequia Association, Inc. for Purchase of the 2021 Allocation of San Juan-Chama Project Water.

Utilities Manager's Recommendation

The Utilities Manager recommends that Council approve as presented.

Board, Commission or Committee Recommendation

The Board of Public Utilities recommends that Council approve as presented.

Body

In the past, since we have not initiated beneficial use within Los Alamos County, we have contracted the lease back of our San Juan-Chama (SJ-C) Water Project water to the Bureau of Reclamation (Bureau) to help augment stream flows in the Rio Grande. This has been accomplished via an annual contract between the Bureau and the County. For Water Year 2020, the Rio de Chama Acequia Association (RCAA) procured funding through the New Mexico Legislature to purchase a major portion (833 acre-feet) of the County's San Juan-Chama Water Project water for beneficial use through irrigation of crops within the RCAA. This purchase contract for the RCAA use of our San Juan - Chama Water Project water was completed earlier this year. The RCAA has successfully utilized this water to help irrigate the crops of their members.

The RCAA has received additional funding to purchase additional water of approximately 658.33 AF at a cost not to exceed \$39,500 (Rate of \$60/AF established by the Bureau for Water Year 2021); over and above the original contract's water volume of 833 acre-feet for Water Year 2020. Because of a quirk in the State funding rules the original contract's "additional allotment" clause was deemed not appropriate and this new agreement was required in its place. The major change appears to be the requirement for an up front purchase of the entire amount with a reimbursement clause in the unlikely event that the RCAA does not utilize all available water purchased up front. As in the original agreement with the RCAA the County will be under no obligation to provide more water than is made available by the Bureau through the SJ-C Project, in the event that any year's supply is less than the full amount.

Alternatives

The County could deny this approval and continue the typical contractual relationship with the Bureau. There would be no monetary or administrative gain or loss in doing this and the farmers of the RCAA would lose the opportunity of an increased supply of irrigation water for their crops.

Fiscal and Staff Impact/Planned Item

Unbudgeted income of approximately \$39,500. No additional burden on staff time or resources is

anticipated.

Attachments

A - SJC Water Purchase Contract with the RCAA